

(J.E. Mack) - 7/2/51 (W) - 2:30 - 4:30.

249 Northampton Mass.

Business lease renewal.

347 ft<sup>2</sup> store - 44' x 79'.

We pay \$6M rent now; asking us for \$7200.

We are not making any money now.

Stick to our guns; pay no more rent even if we lose store.

344 Phila. (1500 Chestnut St.) - (D.E. Mack)

(at high class store)

Discuss reducing size of store 40' x 65' because of lease situation - 1440 sq. ft. would reduce to ab. 1170' (loss of 270' - 344).

We pay \$36,400 rent.

Stouffers willing to take rear 65' x 40' of our store, are we willing to operate this store & give up 65' of our store?

Our lease expires in Nov. '54; cannot renew lease unless we pay \$50,000 for rental which would just about put us out of business.

"Not a good location; most men here, & men's wear stores." - C.E.H. (Not good for our business.)

High of \$618M in sales; now \$490M - (51)

Constr. cost of \$160M, less \$40M landlord's contrib. toward improvement cost total constr. cost \$200M.

certain types of mdee. will not sell here. (Koffler lines) - D.E.M. (in mnde. sh.)

Made \$43M in '51.

If rear space is lost to us, our sales would drop to ab. \$500M.

I pay 7 1/2% D.C.

We have to retain 2nd fl. space.

New Xmas store opened in '49 - hurt us.

50 stool fl'a to be.

This would be a

"No possibilities of any great volume here." - C.E.H.

No fat. business here now. - Most of business better 11 & 2p.

Would want a 10 yr. lease, w/ 10 yr. option.

C.E.H. opposed to this deal - to spending \$60M. here all other present numbers of company seemed unlikely to go along with the gamble, which it is - D.E.M. thinks we ought to do it.

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